

C O P Y

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HQ MATS, WASHINGTON, D.C. - Plans for "merchandising" the precedent-shattering air travel insurance to be offered to passengers on scheduled Military Air Transport Service (MATS) flights were discussed at a meeting of top officials from MATS, Mutual of Omaha, and the Air Material Command (AMC) Thursday, February 23rd, at the MATS Headquarters Building at Andrews Air Force Base.

For the first time, air travel insurance at regular commercial airline rates will be made available to military personnel, dependents, and all other civilians riding as passengers on MATS scheduled flights.

It was announced that global merchandising installations and arrangements at MATS terminals are expected to be completed in April. In the near future, passengers will also be able to gain coverage under the new policy at any major civil air terminal.

Actual administration of the program will be effected by Mutual of Omaha's subsidiary, Tele-Trip Policy Co., Inc., which already offers Mutual's air travel coverage at more than 87 airports in the U.S. and Canada. At MATS Overseas terminals this program will be administered by the American Express Company.

The dual purpose policy offered will insure passengers who hold orders authorizing their travel aboard MATS aircraft "from accidental bodily injuries (or accidental death) received anywhere in the world while this policy is in force and while the Insured, as a passenger, is riding in, boarding or alighting from (1) any public land, air or water conveyance provided by a common carrier primarily for passenger service; or (2) any transport type aircraft operated for or by the Military Air Transport Service (MATS) of the United States or its successor."

As an example, a passenger may fly from Dallas, Texas to the east coast by commercial airlines, then travel via MATS aircraft to Rhein Main, Germany, with insurance coverage provided for the entire trip by one policy. The policy for this trip would cost only \$2 for \$12,500 coverage, with an additional \$625 medical expense provision included. If his orders specify a round trip, he will also be covered for the return flight at no additional expense.

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The outstanding safety record amassed by the Military Air Transport Service on its 115,000 miles of global air routes made possible the new insurance agreement at the same rates as those offered to commercial airline passengers. In 1950 and again in 1954, the command won the coveted Daedalian Trophy, the outstanding flying safety award presented within the U.S. Air Force.

A comparison of the present rates with those previously in effect indicates a marked decrease in cost. Three-day coverage for a \$10,000 policy formerly cost \$2., increasing to \$10 for 60-day coverage. Now a passenger traveling to the most distant point serviced by MATS can buy a \$12,500 policy for \$4, while using commercial transportation facilities during part of the trip.

These policies are designed to provide coverage for the period of time specified in the orders authorizing travel, so that a person on 60 days temporary duty could insure himself for the entire journey under a single policy.

Previous insurance coverage was limited to a maximum of \$20,000, the cost of which ranged from \$4 for three-day coverage to \$15 for one month or \$20 for a 60-day period.

The new policy, however, provides for coverage up to \$62,500, with five per cent medical expense coverage included and with no specific time limits involved. Rates are based on zones, thus providing a saving to travelers whose destinations are in certain areas.

The "Domestic" zone includes flights within or between the United States, Alaska, Hawaii, Canada, Mexico, Central America, Bermuda, the West Indies, Columbia, and Venezuela. Zone "A" encompasses the rest of South America, and Iceland. Zone "B" lists Europe, including the British Isles and Ireland, while Zone "C" applies to all areas not previously listed.

Rates for the "Domestic" zone are \$.50 for each \$12,500 worth of coverage; for Zone "A", \$1; Zone "B" \$2; and Zone "C", \$4 for the same amount. The cost increases in exact increments for each \$12,500 of coverage desired.

In initiating this program, Air Material Command officials formally requested the six foremost US aviation insurance underwriting companies to submit proposals. The plan offered by Mutual of Omaha satisfied the desired requirements established, based upon all factors of consideration. Actual negotiations for the new insurance were then handled by Maj. R.J. Schissell of the MATS Traffic Division.

Officers of the insurance company and the major air commands alike hailed the agreement. The insurance coverage to be offered is described by Mr. V.J. Sku President of Mutual, as "an entirely new concept in the field of insurance." "The outstanding safety record of MATS," he said, "justifies our decision to give regular underwriting consideration to a group which has heretofore been traditionally excluded from commercial protection."

A MATS officer summed up the story succinctly with the comment, "Now you can be insured against falling off a streetcar, as long as you are en route."